

## Declaration for Patent Application

Docket Number: 26859.102-US01

As a below named inventor, I hereby declare that:

My residence, post office address and citizenship are as stated below next to my name.

I believe I am the original, first and sole inventor (if only one name is listed below) or an original, first and joint inventor (if plural names are listed below) of the subject matter that is claimed and for which a patent is sought on the invention entitled Digital Options Having Demand-Based, Adjustable Returns, and Trading Exchange Therefor, the specification of which is attached hereto unless the following box is checked:

was filed on March 16, 2001;  
as United States Application Number or PCT International Application Number 09/809,025; and  
was amended on \_\_\_\_\_ (if applicable).

I hereby state that I have reviewed and understand the contents of the above identified specification, including the claims, as amended by any amendment referred to above.

I acknowledge the duty to disclose information that is material to patentability as defined in 37 C.F.R. § 1.56.

I hereby claim foreign priority benefits under 35 U.S.C. § 119(a)-(d) or § 365(b) of any foreign application(s) for patent or inventor's certificate, or § 365(a) of any PCT international application, which designated at least one country other than the United States listed below, and have also identified below any foreign application for patent or inventor's certificate, or PCT international application having a filing date before that of the application on which priority is claimed.

Prior Foreign Application(s)	Priority Claimed		
<u>PCTUS00/19447</u> (Application No.)	<u>Patent Cooperation Treaty</u> (Country)	<u>18 July 2000</u> (Day/Month/Year Filed)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<u>_____</u> (Application No.)	<u>_____</u> (Country)	<u>_____</u> (Day/Month/Year Filed)	

I hereby claim the benefit under 35 U.S.C. § 119(e) of any United States provisional application(s) listed below.

<u>60/144,890</u> (Application No.)	<u>July 21, 1999</u> (Filing Date)
_____	_____
<u>_____</u> (Application No.)	<u>_____</u> (Filing Date)

I hereby claim the benefit under 35 U.S.C. § 120 of any United States application(s), or under § 365(c) of any PCT international application designating the United States, listed below and, insofar as the subject matter of each of the claims of this application is not disclosed in the prior United States or PCT international application in the manner provided by the first paragraph of 35 U.S.C. § 112, I acknowledge the duty to disclose information that is material to patentability as defined in 37 C.F.R. § 1.56 that became available between the filing date of the prior application and the national or PCT international filing date of this application.

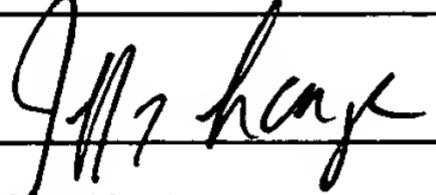
<u>09/744,816</u> (Application No.)	<u>July 18, 2000</u> (Filing Date)	<u>pending</u> (Status - patented, pending, abandoned)
<u>09/448,822</u> (Application No.)	<u>November 24, 1999</u> (Filing Date)	<u>pending</u> (Status - patented, pending, abandoned)

Send Correspondence to:

**U.S. PTO Customer Number 26853**  
COVINGTON & BURLING  
1201 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004-2401  
(202) 662-6000  
Facsimile (202) 662-6291

Direct Telephone Calls to: (202) 662-6000

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

Full name of sole or first inventor <b>Jeffrey Lange</b>	
Inventor's signature 	<b>JUNE 15, 2001</b> Date
Residence <b>New York, New York</b>	
Citizenship <b>USA</b>	
Post Office Address <b>3 E. 84th Street, Apartment 3, New York, New York 10028</b>	
Full name of second inventor	
Second Inventor's signature	Date
Residence	
Citizenship	
Post Office Address	

(Supply similar information and signature for subsequent joint inventors, if any)



## POWER OF ATTORNEYS FROM ASSIGNEE

Longitude, Inc., a corporation of New York, New York, having a principal place of business at 650 Fifth Avenue, New York, New York 10019, is assignee of the entire right, title and interest for the United States of America (as defined in 35 U.S.C. § 100), by reason of an Assignment to the Assignee executed on June 15, 2001 of an invention known as Digital Options Having Demand-Based, Adjustable Returns, and Trading Exchange Therefor (Attorney Docket No. 26859.102-US01), which is disclosed and claimed in a patent application of the same title by the inventor Jeffrey Lange (said application filed on March 16, 2001 at the U.S. Patent and Trademark Office, having Application Number 09/809,205).

The Assignee hereby appoints the following U.S. attorneys, and the entire firm of Covington & Burling as its attorneys, to prosecute this application and any continuation, divisional, continuation-in-part, or reissue application thereof, and to transact all business in the U.S. Patent and Trademark Office connected therewith:

Paul J. Berman, Reg. No. 36,744

Andrea G. Reister, Reg. No. 36,253

Jeannie M. Perron, Reg. No. 31,180

Thomas W. Krause, Reg. No. 40,335

Richard P. Dulik, Reg. No. 40,598

Henry P. Ting, Reg. No. 46,278

Grady L. White, Reg. No. 40,874

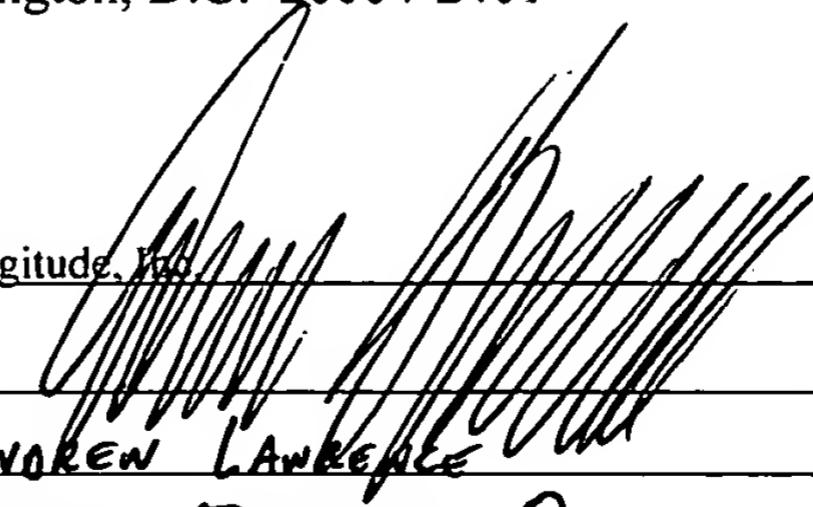
The Assignee hereby grants said attorneys the power to insert on this Power of Attorney any further identification that may be necessary or desirable in order to comply with the rules of the U.S. Patent and Trademark Office.

Send correspondence to:

**Customer No. 26853**  
COVINGTON & BURLING  
1201 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004-2401

Direct phone calls to 202-662-6000.  
Facsimile: 202-662-6291

FOR: Longitude, Inc.

SIGNATURE: 

BY: ANDREW LAWRENCE

TITLE: CHIEF EXECUTIVE OFFICER

DATE: JUNE 15, 2001

## Certificate Under 37 C.F.R. § 3.73(b)

Applicant: Jeffrey Lange

Application No: 09/809,025

Filed: March 16, 2001

For: Digital Options Having Demand-Based, Adjustable Returns, and Trading Exchange Therefor

Longitude, Inc., a corporation  
(Name of Assignee)

(Type of Assignee, e.g., corporation, partnership, university, government agency, etc.)

states that it is the assignee of the entire right, title and interest in the patent application identified above by virtue of either:

A.  An Assignment from the inventor(s) of the patent application identified above. The assignment was recorded in the Patent and Trademark Office at Reel \_\_\_\_\_, Frame \_\_\_\_\_, or for which a copy thereof is attached.

[or]

B.  A chain of title from the inventor(s) of the patent application identified above to the current assignee as shown below:

1. From: \_\_\_\_\_ To: \_\_\_\_\_

The document was recorded in the Patent and Trademark Office at Reel \_\_\_\_\_, Frame \_\_\_\_\_, or for which a copy thereof is attached.

2. From: \_\_\_\_\_ To: \_\_\_\_\_

The document was recorded in the Patent and Trademark Office at Reel \_\_\_\_\_, Frame \_\_\_\_\_, or for which a copy thereof is attached.

3. From: \_\_\_\_\_ To: \_\_\_\_\_

The document was recorded in the Patent and Trademark Office at Reel \_\_\_\_\_, Frame \_\_\_\_\_, or for which a copy thereof is attached.

Additional documents in the chain of title are listed on a supplemental sheet.

Copies of assignments or other documents in the chain of title are attached.

To the best of the undersigned's knowledge and belief, title of the patent application identified above is in the assignee identified above.

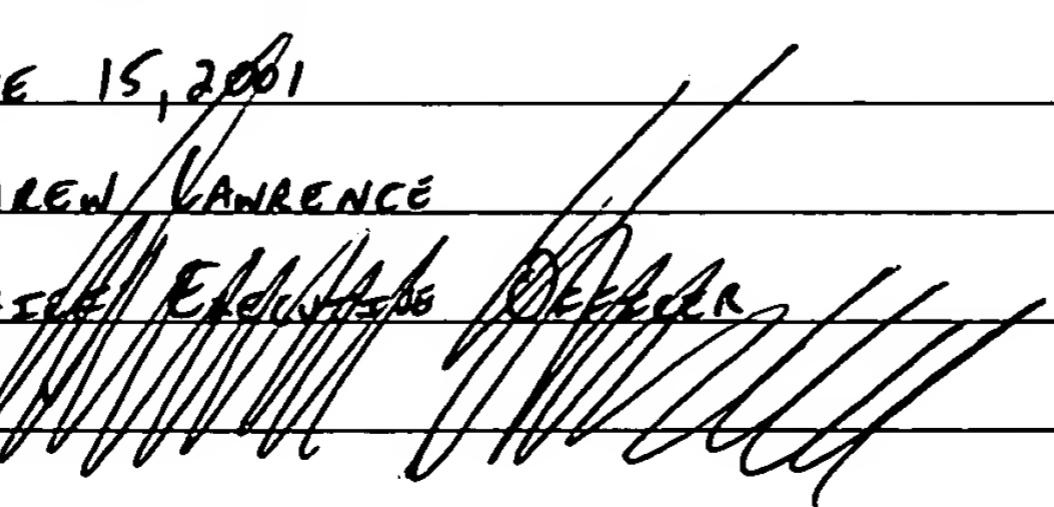
The undersigned (whose title is supplied below) is empowered to act on behalf of the assignee.

I hereby declare that all statements made herein of my own knowledge are true, and that all statements made on information and belief are believed to be true; and further, that these statements are made with the knowledge that willful false statements, and the like so made, are punishable by fine or imprisonment, or both under Section 1001, Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

Date: JUNE 15, 2001

Name: Andrew Lawrence

Title: Chief Executive Officer

Signature: 

## ASSIGNMENT

WHEREAS, I, **Jeffrey Lange**, being a citizen of the United States of America, residing at **3 E. 84th Street, Apartment 3, New York, New York, 10028** have made new and useful improvements in **Digital Options Having Demand-Based, Adjustable Returns, and Trading Exchange Therefor**, for which an application for Letters Patent of the United States was filed on **March 16, 2001** as Application No. **09/809,025**.

WHEREAS, **Longitude, Inc.**, having a place of business at **650 Fifth Avenue, New York, New York 10019**, and who, together with its successors and assigns ("Assignee") is desirous of acquiring the title, rights, benefits, and privileges hereinafter recited.

NOW, THEREFORE, for valuable consideration furnished by Assignee to me, receipt and sufficiency of which I hereby acknowledge, I hereby, without reservations:

1. Assign, transfer, and convey to Assignee the entire right, title, and interest in and to said application for Letters Patent of the United States, including all claims, if any, that may have arisen for infringement prior to the date of this assignment, the inventions and discoveries described therein, any and all other applications for Letters Patent on said inventions and discoveries in whatsoever countries, including all divisional, renewal, substitute, continuation, and Convention applications based in whole or in part upon said inventions or discoveries, or upon said applications, and any and all Letters Patent, reissues, and extensions of Letters Patent granted for said inventions and discoveries or upon said applications, and every priority right that is or may be predicated upon or arise from said inventions, said discoveries, said applications, and said Letters Patent.

2. Authorize Assignee to file patent applications in any or all countries for any or all of said inventions and discoveries in my name or in the name of Assignee or otherwise as Assignee may deem advisable, under the International Convention or otherwise.

3. Authorize and request the Commissioner of Patents and Trademarks of the United States of America and the empowered officials of all other governments to issue or transfer all said Letters Patent to Assignee, as assignee of the entire right, title, and interest therein or otherwise as Assignee may direct.

4. Warrant that I have not knowingly conveyed to others any right in said inventions, discoveries, applications, or patents or any license to use the same or to make, use, or sell anything embodying or utilizing any of said inventions or discoveries; and that I have good right to assign the same to Assignee without encumbrance.

5. Bind my heirs, legal representatives, and assigns, as well as myself, to do, upon Assignee's request and at Assignee's expense, but without additional consideration to me or them, all acts reasonably serving to assure that the said inventions and discoveries, the said patent applications, and the said Letters Patent shall be held and enjoyed by Assignee as fully and entirely as the same could have been held and enjoyed by me, my heirs, legal representatives, and assigns if this assignment had not been made; and particularly to execute and deliver to Assignee all lawful application documents including petitions, specifications, and oaths, and all assignments, disclaimers, and lawful affidavits in form and substance as may be requested by Assignee; to communicate to Assignee all facts known to me relating to said inventions and discoveries or the history thereof; to furnish Assignee with any and all documents, photographs, models, samples, and other physical exhibits in my control or in the control of my heirs, legal representatives, or assigns which may be useful for establishing the facts of my conception, disclosures, and reduction to practice of said inventions and discoveries; and to testify as to the same in any interference or other litigation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this 15<sup>th</sup> day of June, 2001.



Jeffrey Lange

STATE OF **NEW YORK**  
COUNTY OF **NEW YORK**

SS:

On this 15<sup>th</sup> day of June, 2001, before me personally appeared **Jeffrey Lange**, to me known and known to me to be the individual described in and who executed the foregoing instrument, and who duly acknowledged to me to have executed the foregoing instrument, and who duly acknowledged to me to have executed the same for the purpose therein set forth.

(SEAL)

Carolyn E. Taylor  
NOTARY PUBLIC

My Commission Expires:

CAROLYN E. TAYLOR  
NOTARY PUBLIC, State of New York  
No. 31-4900526  
Qualified in New York County  
Commission Expires June 22, 10<sup>th</sup> 2001